

Trade Invest Monthly

Hawaii's International Business Network

Hawaii Notices

March 2001

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Hawaii - Vietnam 2001 Trade Mission

Sponsored by the Vietnamese-American Chamber of Commerce of Hawaii (VACCH) and the Department of Business, Economic Development & Tourism (DBEDT), this trade mission will build upon relations developed on previous missions with Vietnamese government ministries, state enterprises, and private companies.

Scheduled for June 2-14, 2001, the trade mission will give participants the opportunity to gain access to key government agencies and business contacts. The mission will include meetings with government officials and state enterprises, as well as briefings by U.S. and Vietnamese officials, site visits and presentations by Hawaii mission participants to targeted audiences.

The mission begins with a 3-day visit to Hanoi, the country's center of government in the north; and then travels to the central region to Hue for four days. Honolulu and Hue are "sister cities".

DATE: June 2-14, 2001
Approximate Cost: \$2,500 including meals
DEADLINE: April 6, 2001

A mission briefing is planned for May with details to be announced.

For more information please contact the VACCH at:
Tel: 735-2602 Fax: (808) 734-2315
E-mail: rb@dbedt.hawaii.gov

Japan School Excursions Growing Opportunities for Hawaii's Edu-Tourism Market

In the June 2000 issue of *Trade Invest Monthly*, it was reported that the Japanese overseas school excursion market to the U.S. is growing, and that there are growth opportunities for the market to expand in Hawaii.

High school excursions, called *shugaku ryoko*, are a mandatory part of the standard curriculum in both private and public schools.

According to DBEDT, "Over 12,000 students came to Hawaii from Japan last year as part of organized school excursions, and the number could approach 20,000 in the near future." It further adds, "This represents a potential \$31 million boost to Hawaii's economy – a boost for educational attractions and school programs seeking new opportunities for

international outreach. It also offers a new niche for the visitor industry, allowing it to diversify into an expanding and lucrative market."

To further educate and prepare Hawaii's attractions, education, and travel/tourism industries regarding this growing niche market, DBEDT's Service Trade Branch, the Hawaii Tourism Authority, Honolulu Japanese Chamber of Commerce of Hawaii, and the Japanese Cultural Center of Hawaii are sponsoring a workshop, "*Japan School Excursions – Growing Opportunities for Hawaii's Edu-Tourism Market.*"

The workshop details are as follows:

DATE: Thursday, April 12, 2001
TIME: 9:00 a.m. to 12:00 noon
PLACE: Japanese Cultural Center of Hawaii,
Manoa Grand Ballroom
2454 S. Beretania Street
(Parking \$2.00 with validation)

The featured speakers:

Robert "Mike" Murphy – Director, U.S. Department of Commerce, U.S. Commercial Service. He will present an overview of the overseas school travel market, market profile, market size, statistical data and competitive situation.

Eiji Takagi – Deputy Vice-President, Japan Region, International Passenger Sales Planning Office, Japan Airlines. He will discuss ways to access the school excursions market and the marketing efforts (by Japan Airlines and others) in Japan to attract *shugaku ryoko* to Hawaii

Kiyoshi Mukumoto – Vice President – Japan, Hawaii Visitors and Convention Bureau. He will discuss the needs of Japanese school groups and what travel/tourism vendors (attractions, hotels, ground transportation, restaurants, etc), as well as educational organizations, need to do to prepare for this growing market in Japan. He will also discuss upcoming marketing opportunities for Hawaii vendors to promote themselves to Japan schools and travel agents.

Judith Fox-Goldstein – University of Hawaii at Hilo. She will present "Ed-Venture," a Hawaii program success story. She will also identify important points in marketing and servicing the school excursions market and its benefits.

For more information, contact DBEDT's Service Trade Branch at Tel: (808) 587-2750.

2001 Maui Agricultural Trade Show

The Maui Agricultural Trade Show & Sampling is taking booth reservations for their upcoming agricultural trade show.

Booths are reserved for the following products or services:

1. Agricultural-based products: fresh or processed foods, quality gift items of Hawaii-grown materials. This category includes restaurants, bakeries, candy manufacturers, food service, etc.
2. Agricultural education.
3. Vendor to agriculture or food processing industry.

The trade show details:

DATE: Saturday, April 28, 2001

TIME: Industry Guests/VIPs entry – 10:00 a.m.

General Public – 11:00 a.m. to 4:00 p.m.

PLACE: Maui - Ulupalakua Ranch and Tedeschi Vineyards

BOOTH COST:

-- \$150/booth (8' table under big tent)

-- \$250 (event supplied 10'x10' tent and space)

It is estimated that over 5,000 buyers, writers & consumers will attend the trade show.

Booth space is on a first-come, first-served basis.

For more information, call Barbara Santos at Tel: (808) 875-0457; Fax: (808) 879-1283; e-mail: santos@maui.net

Enrollment is also limited and accepted on a "first-come, first-served" basis. To register, call the U.S. Department of Commerce in Honolulu at Tel: (808) 522-8042.

JAIMS - China Seminar Series

With China becoming a member of the World Trade Organization in 2001, the Chinese market will open up to rest of the world with new market and business opportunities.

The Japan-America Institute of Management Science (JAIMS) will sponsor "The JAIMS China Seminar Series" from April 12, 2001 to May 4, 2001. The series is also co-sponsored by DBEDT, The Chamber of Commerce of Hawaii, The Chinese Chamber of Commerce of Hawaii, the U.S.-China People's Friendship Association of Honolulu, and The Center for Chinese Studies, University of Hawaii.

The seminar series targets organizations and individuals who are: 1) interested in the Chinese market, 2) are considering doing business in China, or 3) are currently doing business in China and want to improve their skills and knowledge about China.

Key benefits of the seminars are as follows:

- ◆ Understand the Chinese political structure and how it works;
- ◆ Gain knowledge on the Chinese legal environment;
- ◆ Learn successful negotiation techniques;
- ◆ Gain understanding of Chinese culture and practices;
- ◆ Gain knowledge of marketing to China;
- ◆ Learn the pitfalls and opportunities in doing business in China;
- ◆ Learn of recent changes and developments in China;
- ◆ Learn techniques of effective communication; and
- ◆ Network with business people who are doing business in China.

The seminar details:

PLACE: Japanese Cultural Center of Hawaii,
2454 S. Beretania St., Rm. 102
(Parking \$2.00 with validation)

SESSION 1: Thursday, April 12, 2001

1:00–2:30 p.m. – The Chinese Political System in Transition

Speaker: *Kate Xiao Zhou* – Associate Professor of Comparative Politics and Political Economy of East Asia (China and Japan) in the Department of Political Science at the University of Hawaii at Manoa.

3:00–4:30 p.m. – Observation Then and Now

Speaker: *Margery Bronster* – partner with Bronster Crabtree & Hoshibata focusing on complex commercial litigation, trust and real estate cases.

SESSION 2: Thursday, April 19, 2001

1:00 – 2:30 p.m. – Doing Business in China from a Chinese Entrepreneur's Point of View

Speaker: *Michael Zhang* – originally from Shanghai, is President and CEO of Blue Hawaii Surf LLC and President and part owner of Sea Sky USA, Inc.

3:00 – 4:30 p.m. – Negotiating with China

Speaker: *Victor Hao Li* – Co-Chairman of Asia Pacific Consulting Group. Before serving as the President of East-West Center between 1981 and 1990, he taught at law schools at Stanford, Columbia, and Univ. of Michigan.

SESSION 3: Thursday, April 26, 2001

1:00 – 2:30 p.m. – Rule of Law in China

Speaker: *Ronald C. Brown* – Director of the Center for Chinese Studies at the University of Hawaii at Manoa and Professor of Law, teaching Chinese Law and Asian Labor and Employment Law.

3:00 – 4:30 p.m. – Marketing to China in the Information Age

Speaker: *Charlotte Vick* – Senior Vice President for Marketing Consulting of Starr Seigle Communications' marketing analysis and planning division.

SESSION 4: Friday, May 4, 2001

1:00 – 2:30 p.m. – Chinese Culture and Etiquette

Speaker: *Cynthia Y. Ning* – Associate Director of the University of Hawaii at Manoa's Center for Chinese Studies.

3:00 – 4:30 p.m. – Doing Business in China from an Architect's Point of View

Speaker: *Donald W.Y. Goo, FAIA* – Chairman of Wimberly Allison Tong & Goo, Inc., Architects, Planners and Consultants

COST: \$65/session

\$60/session if signed up

for 2 or more sessions

\$60/session for members of a co-sponsoring organization

Space is limited and on a first-come, first served basis.

For more information, contact Yen Chun at Tel: (808) 396-7163; Fax: (808) 396-7112.

Worldwide Market Reports

Due to the large number of requests for reports, we have made the request process easier to better serve you. Complete the request form at the end of the newsletter and Fax to (808) 587-3388, or send an Email message to: tradeinvest@dbedt.hawaii.gov.

The report service offered is reserved for Hawaii companies only.

If you are outside of Hawaii and are interested in the reports highlighted in our newsletters, please go to the United States Department of Commerce website, www.stat-usa.com. You will have the choice of ordering the reports you need for a small fee or you can subscribe to their service for an annual fee and have unlimited access to all reports and services

Belgium – Incentive Travel to the U.S.

The U.S. & Foreign Commercial Service recently published a report on incentive travel with the general scope of current travel trends from Belgium to the United States. The contact listing at the end of the report, however, is strictly incentive travel related.

Although Belgium is comparatively small in size with about 10.4 million inhabitants and an estimated GDP of US\$260 billion for FY 2001, it is also the United States' ninth largest trading partner with an estimated US\$11.2 billion of U.S. products and services in 1998.

The key points of interest in this report to Hawaii companies are as follows:

- Belgium has one of the highest levels of income among European countries with a per capita GDP of US\$22,416 in 2000.
- The U.S. is the third most popular tourist destination for Belgians (following France and Spain), and is the most popular long-haul destination.
- Belgium is ranked 19th worldwide in the numbers of visitors to the U.S.
- The travel and tourism sector in Belgium has benefited from the Belgium prosperity and U.S.-Belgian trade. Estimated market size in 2000 for travel from Belgium to the U.S. was 250,000 visitors who are expected to spend over US\$600 million.

- The largest percentage of visitors (74%) traveling from Belgium to the U.S. is for pleasure. They spend an average of US\$122 per day compared to the average European leisure visitor who spends about US\$96 per day.
- Many Belgian travelers take a ski vacation in the winter and a sun vacation each summer, and the U.S. tourism sector should take advantage of this cycle. For the sun-seeking vacationers, many Belgian travelers are only aware of beach vacation opportunities in California and Florida, and this market could be developed in other states as well.
- Other popular activities and destinations for Belgian travelers in the U.S. included national parks, cultural and historical sites, and amusement parks.
- Shopping is a big draw for Belgian travelers – 37% of Belgian travelers to the U.S. visit at least three shopping malls.

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

All Nippon Airways (ANA) Pulling Out of Malaysian Market

For Hawaii companies that currently ship products between Malaysia and Hawaii, please be advised of the following change in Malaysia's air cargo industry.

The U.S. & Foreign Commercial Service reported that Japan's *All Nippon Airway*

(ANA) will be pulling out its services from Kuala Lumpur by March 24, 2001.

Previously, Germany's *Lufthansa* and Australia's *Qantas* have already stopped their services to Kuala Lumpur – citing unprofitable routes due to low load factor. Currently about 60% of the air cargo in and out of Malaysia are handled by passenger-carrying airlines.

Malaysia's air cargo industry is concerned that the decision by ANA could have an adverse impact on the industry and Malaysia's image and reputation as a regional hub for passengers and cargo.

The Airfreight Forwarders Association of Malaysia (AFAM) is urging the government to study the reasons why major airlines are pulling their service out of Kuala Lumpur.

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

New Zealand – Retail Food Sector Report (7 pages)

The U.S. Department of Agriculture has released a report on New Zealand's retail food sector.

For Hawaii companies interested in the New Zealand market, the market summary is as follows:

- New Zealand is a small country with a population of about 3.8 million. The main urban areas are Auckland, Wellington, and Christchurch;
- The U.S. is New Zealand's second largest trading partner;

- New Zealand imported US\$732 million of consumer-oriented food products in 1999, of which U.S. holds a 13% market share. The U.S. market share has declined slightly since 1997 due to the strong U.S. dollar;
- Retail sales in New Zealand are dominated by three supermarket groups – *Foodstuffs*, *Progressive* and *Woolworths*;
- Gasoline stations are the main players in New Zealand's convenience store market;
- The average New Zealand family spends NZ\$113.50 per week on food products. This amounts to 16.6% of the net expenditure;
- Australia is the major competitor to U.S. consumer oriented food imports. Australia holds more than a 50% market share in New Zealand, and has the advantage due to the Closer Economic Relations Agreement between Australia and New Zealand. U.S. food products pay between 0-7% tariffs; and
- Best product prospects according to the report are 1) fresh fruit, especially grapes, stonefruits, oranges and pears during New Zealand's off-season; 2) snack foods, including nuts (almonds, pistachios, walnuts) and dried fruits (raisins, mixed fruit); and 3) pet food, especially high quality or high nutrition.

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov

Japan – Retail Business

The Japan External Trade Organization (JETRO) has recently published a report on Japan's retail business.

Japan's continued economic slump has resulted in many changes in Japan's entire retail spectrum.

Key points in the report are as follows:

- As of 1997, there are approximately 1.42 million retail stores in Japan. However, the numbers are showing a downward trend – between 1994 and 1997, about 80,000 stores closed.
- In spite of the decline in number of stores, retail sales have been rising yearly – the 1997 figure of 147.7 trillion yen reflected a 3.1% increase over 1994 figures. The trend is due to the decline of small shops and the growth of medium-sized and large stores.
- Large department store sales have dropped during 1997-1998, forcing closures of branches that were showing a loss. Employee reductions and major restructuring plans were also put into effect.
- Since 1990, there has been a rapid succession of foreign retailers in the Japanese market. Examples are *Toys 'R Us*, *The Gap*, *Costco*, and *Carrefour*. This trend is expected to continue.
- Since 1991, the only retail business sector showing growth in the number of retailers was general merchandise. All others – textile &

Offers

The trade opportunities listed come directly from the company or trade organization. DBEDT does not endorse these companies or organizations. Please do your own background check before entering into any business negotiation.

Offer to Sell

- ◆ From the Consulate General of the Philippines – Honolulu office. A Philippine company is seeking trading partners to promote and distribute their products Bio-Normalizer in Hawaii. Bio-Normalizer is classified as a nutraceutical product. Contact Gerry Mijares, Bio-Normalizer Manufacturing Corporation, Tel: +63-2-848-6477; Fax: +63-2-848-6432; e-mail: nakamura@suno.co.io.
- ◆ From the Consulate General of the Philippines – Honolulu office. A company in Paranaque City, Philippines, seeks Hawaii partner who may be interested in software development and programming services. For more information, contact Mr. Gilbert Sosa, Gain Business Software, 2521 Mangga Street, United Hills Village, Paranaque City, Philippines 1713, Tel/Fax: 011-632-824-5267; e-mail: gainbs@odsemail.com.ph
- ◆ A manufacturer of Neoprene sports equipment and other products in Taiwan R.O.C. is looking for importers. Interested companies should contact Mr. Dan Yu / Ms. Pauline Wu at the Dan Yu Sports Equipment Co., Ltd. No. 5 -5 Luen Tzyu Jeau Rd., His Hu Chen, Chang Hua, Taiwan, R.O.C. Tel: 886-4-885354 Fax: 886-4-8823526. e-mail: www.neoprene.items.com.tw

Trade Shows, Conferences, & Trade Missions

June 7-10, 2001

15th International Travel Expo Hong Kong (ITEHK). Hong Kong. Targeting U.S. travel suppliers to meet Asian buyers. For the first time, ITEHK will have an IT Pavilion promoting management and operations software for the travel industry. Golf, cruise and other special interest holiday tour packages will also make their debut in ITEHK 2001. Last year's show attracted 521 exhibitors from 43 countries, 5826 buyers and trade visitors during the "trade days," and 49,548 visitors during the two "public days." For more information, contact Adsale Exhibition Services Ltd. In Hong Kong, Tel +852-2811-8897; Fax: +852-25616-5024; e-mail: itehk@adsaleexh.com

clothing, food & beverages, automobiles, furniture, appliances, and household electronics have shown declines.

- Outlet malls have begun to open in succession. In 1999, three Outlet malls were opened – *Town Outlet ATC* (Osaka), *Value Center Toriasu Hisayama* (Fukuoka), and *X Site World Marketplace* (Kanagawa).
- Convenience stores in Japan have introduced new value-added services in order to create more opportunities for customers to visit the stores. New services include utility and telephone payment services, ticket sales, and taking reservations for sporting events and concerts.
- With a large network throughout Japan,

convenience stores are expected to play a large role in the development of e-commerce. Convenience stores can accept orders on-line for delivery to the customers at nearby stores thereby adding value to their services.

- The development of e-commerce is creating a blow to mail order businesses, and is forcing mail order retailers to develop new items that appeal to their consumers.

In addition, the report provides information on 1) commercial practices and related laws and regulations, 2) foreign capital entering Japan, and 3) measures for revitalization of city centers.

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

Korea – Education Services Market

With Korea's education liberalization and a growing Korean economy, the U.S. & Foreign Commercial Service reports that the Korean education sector provides opportunities for U.S. educational service providers both domestically and in the U.S.

Key to the growth potential is the Korean Ministry of Education's revised law that now permits high school students to legally study abroad for the first time. This law went into effect in September of last year, and the full overseas study market will gradually be liberalized.

The change is relevant to U.S. private high schools, as it will attract younger Korean students to enroll in U.S. private schools, and follow that with enrollment with U.S. universities.

With Korea's growing economy and consumer confidence has resulted in greater student interest in overseas study. Korean families seeking better education at all levels of schooling are willing to send their children overseas if they feel the opportunities cannot be met within Korea's educational system.

In addition, attraction to U.S. education service providers is due to the following factors:

- Korean students must do well on very competitive college entrance exams to enter top Korean universities. A key component of the exam is the English language.
- If Korean students can demonstrate a foreign language fluency, especially in English, they can enter top Korean universities through a special admissions process, and thereby bypass the college entrance examination.
- The job market in Korea is competitive and the leading corporations are increasingly requiring English language skills as a condition of employment.
- A significant number of high-income families are sending their children to U.S. high schools and universities to master their children's English skills, to give their children the best chance of success to entering the top Korean universities or to gain employment in Korea's top companies.

Competition for the Korean study abroad market is fierce, with Canada, Japan, Australia and China

promoting themselves heavily as an attractive education destination to Korean students.

In the past, the U.S. was the leading overseas study destination for Korean students. However, in 1999, Canada overtook the U.S. as the leading study abroad destination. This was due in part to stricter U.S. visa requirements and higher education costs.

For a copy of a report, send the request form by Fax: (808) 587-3388 or by email to tradeinvest@dbedt.hawaii.gov.

Report Request Form

Trade Invest Monthly, Hawaii's International Business Network

Company: _____

Contact person: _____

Address: _____

City: _____

Zip code: _____

Telephone: _____

Facsimile: _____

Email: _____

Report(s) requested:

- ☐ Belgium – Incentive Business Travel Mkt.
- ☐ New Zealand – Retail Food Sector
- ☐ Japan – Retail Business
- ☐ ANA Pulling Out of Malaysia
- ☐ Korea – Education Services Mkt.

OTHER: _____

Please fax this completed form to (808) 587-3388, or Email your request to: tradeinvest@dbedt.hawaii.gov

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☐ UNSUBSCRIBE



Internet Resources

USATrade.gov
www.usatrade.gov

The U.S. Commercial Service offers valuable assistance to help your business export goods and services to markets worldwide. From this site you can access a global listing of trade events, international market research, and practical tools to help with every step of the export process. USATrade.gov and the U.S. Commercial Service are ready to help your business prosper in today's global economy.

SBA - Pro Net
pro-net.sba.gov

Pro-Net is an electronic gateway of procurement information -- for and about small businesses. It is a search engine for contracting officers, a marketing tool for small firms and a "link" to procurement opportunities and important information. It is designed to be a "virtual" one-stop-procurement-shop.

A Search Engine...

Pro-Net is an Internet-based database of information on more than 195,000 small, disadvantaged, 8(a), HUBZone, and women-owned businesses. It is free to federal and state government agencies as well as prime and other contractors seeking small business contractors, subcontractors and/or partnership opportunities. Pro-Net is open to all small firms seeking federal, state and private contracts.

A Marketing Tool...

Business profiles in the Pro-Net system include data from SBA's files and other available data bases, plus additional business and marketing information on individual firms.

A Link to Procurement Opportunities...

As an electronic gateway, Pro-Net provides access and is linked to the Commerce Business Daily (CBD), agency home-pages and other sources of procurement opportunities.

The Pro-Net project is a cooperative effort among SBA's offices of [Government Contracting](#), [Minority Enterprise Development](#), [Advocacy](#), [Women's Business Ownership](#), [Field Operations](#), [Marketing & Customer Service](#), the [Chief Information Officer](#), and the [National Women's Business Council](#).